



A REVIEW ARTICLE ON 'COMPARATIVE STUDY OF VARIOUS HEALTH INSURANCE PRODUCTS IN INDIA'

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ABSTRACT

Since the past two decades, there has been a phenomenal surge in acceleration of healthcare costs. This has compelled individuals to have a re-look on their actual monthly expenditures, spending patterns and simultaneously allocate a proportion of their income towards personal healthcare. Health care finance plays a critical role in access to health care. Health insurance provides an opportunity to pool the risk and resources amongst people, which can then enable enhanced access to health care and prevention of catastrophic out of pocket expenditure. Currently, in India, there are different types of health insurance models and schemes applicable which cater to the needs of the Indian population. Before buying a policy it is important to understand the fine print of the insurance policies that helps to understand the scope of the policy and its limitations, which are seldom spelled out by the agent selling their products. Hence there is a greater need to understand the fine print of the healthcare insurance products to understand and choose a policy that has been well suited for the a person and his conditions. For this reason the current study aims to evaluate and compare the various policies offered by the various health insurance distributors in India. This would help to provide a basic comparison between the various policies whereby helping an individual to understand the major differences and select a policy as per his or her needs.

Introduction:

Health care finance plays a critical role in access to health care. Health insurance provides an opportunity to pool the risk and resources amongst people, which can then enable enhanced access to health care and prevention of catastrophic out of pocket expenditure. Before buying a policy it is important to understand the fine print of the insurance policies that helps to understand the scope of the policy and its limitations, which are seldom spelled out by the agent selling their products.

It is important to note that there are no standard inclusions or exclusions, and the numbers and wordings of the clauses varies from organization to organization (both – PSUs i.e. public sector undertakings and private insurance companies), however the contents i.e. Terms and Conditions remain more or less uniform based on the guidelines issued by IRDA (Insurance Regulatory and Development Authority) - a regulatory body for the Insurance sector in India which is a subject under Central Government of India. (1)

Aim:

The study aims to evaluate and compare the various policies offered by the few of the health insurance distributors in India.

Objectives:

1. To study and evaluate the few of the Health Insurance products offered by the various insurance companies in INDIA
2. To study in comparison the Health Insurance products offered by the government agencies in INDIA

Scope & Limitations:

This is an observational study based on the information brochure received from the health insurance companies. Because of time constraints this study is confined to comparative evaluation of the following health insurance products through their policy brochures only. Three company's policies have been studied for the private sector and two for the government sector.

1. Individual health Insurance policy
2. Family Health insurance policy
3. Critical Illness insurance policy

Review of Literature:

There are mainly 3 types of Health Insurance covers which are as follows.

PRIVATE HEALTH INSURANCE INDIVIDUAL POLICY				
Name of the policy → Parameters ↓	Apollo Munich EASY HEALTH INDIVIDUAL (Health insurance plan)	RELIANCE HEALTH GAIN POLICY	STAR Health Insurance MEDICCLASSIC INSURANCE POLICY	
INCLUSION	In Patient treatment	Covered	Covered	Covered
EXCLUSION (Check policy document for complete list of specific diseases for exclusions)	Pre Hosp.	Covered for 60 days	Covered for 60 days	Covered for 30 days
	Post Hosp.	Covered for 90 days	Covered for 60 days	Covered for 60 days ; amount payable shall not exceed the sum calculated at 7% of hosp. expenses; max at Rs. 5000/-
	Day Care	144 Procedures Covered	Covered	101 Procedures Covered
	Domicillary	Covered	upto 10% of SI ; max Rs.50,000	NIA
	Organ Donor	Covered	50% of SI; max 5 lakhs	NIA
	Emergency Ambulance	UptoRs 2000 /hospitalisation	uptoRs 1500/-	750Rs. Per hospitalisation; overall limit of Rs 1500/- per policy
	Ayush benefit	UptoRs 20,000/-	Not covered	upto 25% of SI, max upto 25,000/- per policy period
AGE	At the starting of policy	All treatments within 30 days except accidental injury.	All treatments within 30 days	All treatments within 30 days
	Preexisting diseases	Covered after a waiting period of 3 years.	Covered after a waiting period of 3 yrs.	Covered after a waiting period of 4 yrs.
	Waiting period	2 years for cataract, hernia	2 years for Arthritis, Gout, Benign ENT disorders	2 years for cataract, glaucoma, retinal detachment

VALIDITY	Major diseases and others	HIV /AIDS Congenital abnormalities	HIV/AIDS, STD, Robotic stem cell, congenital anomalies	HIV/AIDS, STD, Robotic stem cell, congenital anomalies
	Covered	5 years onwards	5 years onwards	5 months onwards
INDIVIDUAL +	Dependent child	91 days onwards if parent is covered	91 days upto 4 years covered under floater with one member of age 21	NIA
	Max. entry age	65 years	65 years(No entry age bar for SI 3lacks)	65 years
	Period	1 or 2 years as opted	1	1 or 2 years
	Discounts	7.5% on premium for a 2 year policy	NIA	5% discount on premium for a policy of two years
	Other members of family	Spouse, Dependent Children, Dependent Parent, Parent In law, Grand Parents & Grand children	Spouse, children, parents, siblings, grand parents, grand children, daughter in law, son in law	persons from 5 months to 45 years new born baby cover available
	Discounts	5% for 2 family members and 10% for three family members	NIA	NIA
	Members in one policy	6	6	NIA
SUM INSURED PORTABILITY	Per person	1lakh to 5 lakh Rs.	3 lakhs, 6 lakhs, 9 lakhs	1.5 lakhs to 15 lakhs
		Applicable	Applicable	Applicable
CUMULATIVE BONUS		10% of every claim free year accumulating upto 100%	33.3%in base SI for every claim free year. Max upto 100%	5% of every claim free year maximum upto 25%
RENEWAL		Life long renewal with a 30 days grace period	NIA	Life long renewal with a 30 days grace period
BUYING PROCEDURE		Pre policy checkup with 100% cost reimb. on acceptance	Pre policy check up for >= to 46 years of age	Pre acceptance health screening > 50 years cost borne by the company
VALUE ADDED SERVICES		Free Health Counselling and guidance, Cashless hospitalisation	Reinstatement of base sum insured, Special privileges for girl child/ single women	Automatic restoration of sum insured

PRIVATE HEALTH INSURANCE FAMILY POLICY				
Name of the policy → Parameters ↓	Apollo Munich EASY HEALTH FAMILY (Health insurance plan)	RELIANCE HEALTHWISE POLICY	STAR Health Insurance FAMILY HEALTH OPTIMA INSURANCE PLAN	
INCLUSION	In Patient treatment	Covered	Covered	Covered
	Pre Hosp.	Covered for 60 days	Covered for 30 days	Covered for 60 days
	Post Hosp.	Covered for 90 days	Covered for 60 days	Covered for 90 days
	Day Care	144 Procedures Covered	Covered	400 day care Procedures
	Domicillary	Covered	Covered	Covered
	Organ Donor	Covered	NIA	Covered
	Emergency Ambulance	UptoRs 2000 /hospitalisation	max of Rs. 500/-	750Rs. Per hospitalisation; overall limit of Rs 1500/- per policy
	Ayush benefit	UptoRs 20,000/-	NIA	NIA
EXCLUSION (Check policy document for complete list of specific diseases for exclusions)	At the starting of policy	All treatments within 30 days except accidental injury.	All treatments within 30 days	All treatments within 30 days
	Preexisting diseases	Covered after period of 3 yrs.	Covered after period of 4 yrs.	Covered after period of 4 yrs.
	Waiting period	2 years for cataract, hernia, joint replacement surgery	1 year for BPH, Cataract, myomectomy	2 years for cataract, glaucoma, retinal detachment
	Major diseases and others	HIV /AIDS Congenital abnormalities	HIV/AIDS, spectacles, lenses, hearing aids, dental treatment & surgery	HIV/AIDS, STD, Robotic stem cell, congenital anomalies
AGE	Covered	5 years onwards	3 months to 65 years	18 years
	Dependent child	91 days onwards if parent is covered	3 months to 18 years if one or both the parents are covered	can be covered from 16th day onwards
	Max. entry age	65 years	65 years	65 years
VALIDITY	Period	1 or 2 years as opted	1	1
	Discounts	7.5% on premium for 2 yr policy	NIA	NIA
INDIVIDUAL +	Other members of family	Spouse, Children, Parent, Parent In law, Grand Parents	spouse and two dependent children under 21 years of age	spouse & dependent children not exceeding 3 in no.
	Members in one policy	6	4	NIA

SUM INSURED	Per person	2lakh, 3 lakh, 4 lakh & 5 lakh Rs.	2 lakhs, 3 lakhs, 4 lakhs, 5 lakhs	1.5 lakhs to 15 lakhs
PORTABILITY		Applicable	NIA	NIA
CUMULATIVE BONUS		10% of every claim free year accumulating upto 100%	NIA	5% of every claim free year maximum upto 25%
RENEWAL		Life long renewal with a 30 days grace period	5% discount on renewal premium for each claim free policy max. upto 20%	Life long renewal with a 30 days grace period
BUYING PROCEDURE		Pre policy checkup with 100% cost reimb. on acceptance	No medical tests upto 45 years of age with clean medical history	Pre acceptance health screening for people above 50 years cost of screening borne by the company
VALUE ADDED SERVICES		Free Health Counseling and guidance, Cashless hosp.	Cashless, Expenses of an accompanying person Rs. 200/day	Automatic restoration of sum insured, Recharge Benefit

PRIVATE HEALTH INSURANCE CRITICAL CARE POLICY					
Name of the policy → Parameters ↓		Apollo Munich OPTIMA VITAL (Health insurance plan)	RELIANCE CRITICAL ILLNESS POLICY		STAR Health Insurance STAR CRITICARE PLUS INSURANCE POLICY
INCLUSION (Kindly refer the policy document for detailed description of the diseases involved)	Critical illnesses covered	Cancer, Kidney failure, Multiple sclerosis, End stage liver disease, First heart attack, COMA, Major burns, Aplastic syndrome, Aplastic anaemia, SLE, End stage lung disease, Brain surgery, Bacterial meningitis, Multiple system atrophy, Progressive scleroderma, Open Chest CABG, Organ/bone marrow transplant, Aorta graft surgery, Open heart replacement or repair with heart valve, Creutzfeldt-Jakob disease, Head trauma, Encephalitis, Blindness, Deafness, loss of speech, Pneumonectomy, Pulmonary artery graft surgery, Parkinson's disease, Alzheimer's disease, Motor neuron disease, Stroke, Paralysis of limbs, Pulmonary arterial hypertension, Benign brain tumour, Cardiomyopathy	Category I- Life threatening Cancer, Major Organ Transplant, Multiple sclerosis, Third degree burns, Aorta Graft surgery, (all benefits paid after 30 days of survival)	Category II- Lifestyle disabling Heart Valve replacement or repair, Coma (more than 30 days), Quadriplegia (persisting more than 60 days post diagnosis without any significant recovery), Total Blindness End stage renal disease (not involving transplant), (all benefits paid after 30 days of survival)	First Diagnosis of Cancer, Chronic Kidney Disease, Brain tumour, Major organ transplant, CVS causing hemiplegia, Acute MI with LVEF <25%, Established irreversible COMA, Established irreversible paraplegia, Established irreversible quadriplegia, (No survival period only a waiting period of 90 days since inception of policy)
EXCLUSION (Check policy document for complete list of specific diseases for exclusions)		Any Preexisting diseases will be covered after a waiting period of 4 years, CI contracted within 3 months of the inception of the policy, CI in presence of HIV or AIDS Congenital internal & external defects, pregnancy, childbirth, post partum complications	Any Preexisting diseases CI contracted within 3 months of the inception of the policy No benefit if death occurs within 30 days of the diagnosis of CI Congenital illness, CI because of Change of sex, cosmetic surgery, alcohol etc. CI acquired due to HIV		Congenital defects Psycho-somatic disorders associated with HTLVIII or AIDS traceable to pregnancy Preexisting diseases until a waiting period of 4 years any disease contracted within the first one month of the policy
WHO CAN BE COVERED?	Age	18 years onwards	5 years to 50 years		18 to 65 years
	Maximum entry age	65 years	50 Years		65 years
	Exit age	Nil	55 Years		Nil
	With Spouse/ family	dependent child from 18 to 25 years can be covered if both the parents are covered in the policy maximum 6 members	A person with of 18 years can take the policy with spouse and two dependent children		5% discount for 2 members and 10% for more than 2
VALIDITY	Period	1 year or 2 years (7.5% discount on 2 year policy)	1 year and 3 years		1 year
SUM INSURED		1 lakh to 50 lakhs RS. (above 55 years it is restricted to 20 lakhs Rs.)	5 lakhs, 7 lakhs, 10 lakhs, 15 lakhs & 20 lakhs Rs.		2 lakhs to 10 lakhs for ages 60 to 65 it is 2 lakhs
PORTABILITY		Applicable	NIA		Applicable
RENEWAL		Lifetime renewal with a grace period of 30 years	No claim discount in premium equivalent to 5% on every claim free renewal for every 1 year policy & 10% for 3 year policy. Maximum upto 50% subject to policy being renewed with 15 days from the policy expiry		Lifetime renewal with a grace period of 30 years
BUYING PROCEDURE		50% medical test charges reimbursed on policy issuance	No medical test required upto the age of 45 years		NIA
VALUE ADDED SERVICES		Free Health Counselling and guidance, E-opinion Personalised wellness and recommendations	Renewal Reward		Free look period

GOVERNMENT HEALTH INSURANCE MEDICLAIM POLICY				
Name of the policy → Parameters ↓	Oriental Insurance MEDICLAIM HEALTH INSURANCE POLICY	New India Assurance TOP UP MEDICLAIM HEALTH INSURANCE POLICY		
INCLUSION	Inpatient hospitalization ,Domiciliary treatment, Pre hospitalisation --- 30 days, Post hospitalisation ---- 60 days	Inpatient hospitalisation expenses exceeding threshold values		
MAJOR EXCLUSIONS & WAITING PERIODS (Check policy document for complete list of specific diseases for exclusions)	Any illness within first 30 days, Preexistingdiseases until 4 years, Treatment related to pregnancy and childbirth etc.	Pre existing diseases until 4 years Any illness within first 30 days HIV /AIDS, cosmetic surgery etc.	2 year waiting period for Benign tumours Benign ENT disorders etc.	4 year waiting period for Joint replacement due to degenerative diseases etc.
AGE	3 months to 80 years	18 to 65 years		
VALIDITY	1 year	1 year		
INDIVIDUAL +	a discount of 10% on premium for family members	Maximum 6 members of family from 3 months to 65 years including spouse, dependent parents, dependent children		
SUM INSURED	50,000/- to 5 lakhs Rs.	5 lakhs to 22 lakhs Rs.		
RENEWAL	NIA	with a grace period of 30 days		
BUYING PROCEDURE	Pre acceptance medical checkup not required for people below 45 years	Pre acceptance medical checkup not required for people below 50 years		
VALUE ADDED SERVICES	Cash less hospitalisation applicable if TPA service is availed	NIA		

GOVERNMENT HEALTH INSURANCE FAMILY FLOATER POLICY				
Name of the policy → Parameters ↓	Oriental Insurance MEDICLAIM HEALTH INSURANCE POLICY	New India Assurance TOP UP MEDICLAIM HEALTH INSURANCE POLICY		
INCLUSION	In patient hospitalization Domicillaryhospitalisation Ambulance charges	Inpatient hospitalisation, Pre hospitalisation ---- 30 days, Post Hospitalisation ---- 60 days, Day care treatment, Ambulance services,AYUSH covered upto 25% of the SI		
MAJOR EXCLUSIONS & WAITING PERIODS (Check policy document for complete list of specific diseases for exclusions)	NIA	Pre existing diseases covered with a waiting period of 4 years HTN, DM covered after 2 years		
AGE	NIA	18 to 60 years		
VALIDITY	NIA	1 year		
INDIVIDUAL +	spouse,children,parent,parent in laws	Spouse ,2 dependent children		
SUM INSURED	6 to 10 lakhs Rs.	2 lakhs to 5 lakhs Rs.		
RENEWAL	NIA	NIA		
BUYING PROCEDURE	NIA	NIA		
VALUE ADDED SERVICES	Daily hospital cash ,Attendent allowance ,Life hardship discount,5% discount if opted out of TPA	Loyalty discount,Good health discount		

Abbreviations used:

NIA: No information available as per policy brochure

SI : Sum Insured

CI: Critical Illness

Recommendations:

- An early entry to any policy is always beneficial
- Lesser premium is to be paid
- No Claim bonus gets added
- There are proper checks and advises on fitness
- No medical required in the initial years

Conclusion:

By reviewing the policies for different Private and Government Insurance companies it has been noticed that whichever policy an individual takes he or she needs to take care of certain aspects of the policy:

- Inclusions & exclusion criteria
- Waiting periods for various pre existing diseases
- Entry and exit age
- Discounts
- Renewal process
- Buying procedure
- Any checkups required

- Portability of the policy
- Other value added services
- Claim process & management
- TPA services
- Helpline effectiveness

The individual should read the policy very carefully and reading the fine print will help him or her to understand the policy to the fullest.

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